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IN THE

Supreme Court of the United States

OCTOBER TERM, 1953.

No. 363

STRONGHOLD SCREW PRODUCTS, INC.,
Petitioner,

vs.

THE INDEPENDENT NAIL AND PACKING CO., INC.,
Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

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BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

To the Honorable, the Chief Justice and the Associate Justices of the United States:

I. STATEMENT OF THE CASE.

The record in this case clearly establishes that Respondent, a large volume producer of fastener products such as nails and screws began using its STRONGHOLD trademark in 1934. The name STRONGHOLD was first applied to a new type annularly threaded nail which was the very best kind of a nail on the market for the job to be done. This product was advertised extensively under the STRONGHOLD trade-mark and was very well received by the public. The sales volume of STRONGHOLD nails rapidly increased so that by 1940 products sold under the STRONGHOLD trade-mark accounted for 50 per cent of the total volume of Respondent's business. (R. 210-212)

Because its new product and the name STRONGHOLD had been advertised so extensively and because the public identified Respondent with the name STRONGHOLD, the line of products to which the name was applied was expanded. In 1947, the volume of fastener products sold by Respondent under the name STRONGHOLD exceeded one million dollars. In 1951, the volume of Respondent's STRONGHOLD branded products exceeded two million dollars (R. 210-212)

After the trade-mark had been in use for some time, Respondent devised a particular form of representation of this mark and on May 16, 1939, Trade-Mark Registration No. 367,449 (R. 7) was granted to it. (R. 206) This registration includes the trade-mark STRONGHOLD together with a pictorial representation of nails and a castle. During the prosecution of the application for registration of its pictorial trade-mark, the Patent Office required Respondent to disclaim certain descriptive material such as the representation of a nail, the word "Nails" and the expression "They hold forever." No requirement was made by the Patent Office to disclaim the word STRONGHOLD as being descriptive. (R. 7, 464)

After the grant of the trade-mark registration, Respondent used the trade-mark in the form shown in the registration and also continued to use the name STRONGHOLD alone in its products. (R. 464)

In 1940 Manufacturers' Screw & Supply House, Petitioner's predecessor, with full knowledge of Respondent's trade-mark and its registration, (R. 416) began using a logotype in which Respondent's STRONGHOLD trade-mark was featured. The District Court found that Petitioner used STRONGHOLD on printed materials, including packing boxes, sample envelopes, labels, stationery, catalogs, purchase orders and requests for quotations. (R. 448)

Initially, Petitioner used Respondent's STRONGHOLD trade-mark along with the company name, MANUFACTURERS' SCREW & SUPPLY HOUSE. In 1946, when Respondent's sales of STRONGHOLD branded fastener products exceeded half a million dollars, Petitioner changed its corporate name to Stronghold Screw Products, Inc. This change of corporate name was undertaken by Petitioner with full knowledge of Respondent's continued and extensive use of its STRONGHOLD trade-mark and with full knowledge of Respondent's trade-mark registration. (R. 464)

From 1946 on, Petitioner approached prospective customers with the name STRONGHOLD featured in its logotypes and under its corporate name, STRONGHOLD SCREW PRODUCTS, INC. Petitioner deliberately became listed as a nail manufacturer under its STRONGHOLD corporate name in certain directories widely used by purchasing agents,—a listing which Petitioner at the trial conceded was a misrepresentation. (R. 396) Respondent, initially a nail manufacturer, had acquired great popularity in the nail industry under its STRONGHOLD trade-mark.

Although Petitioner was aware that Respondent was the first to use the STRONGHOLD trade-mark, and was aware of Respondent's extensive use of this trade-mark, and its Federal trade-mark registration, when Petitioner was threatened with suit for trade-mark infringement, it procured in its own name, state trade-mark registrations in 46 states covering its STRONGHOLD logotype. (R. 406)

Petitioner and Respondent both sell their products throughout the United States. (R. 215, 262, 334) Both contact the same prospective customers through direct mail advertising and through listings in trade publications and directories usually used by purchasing agents. (R.

212, 214) Both Petitioner and Respondent sell a wide variety of fastener products and Petitioner circularizes its catalog under the name Stronghold Screw Products to Respondent's customers. (R. 223, 226-30) Petitioner and Respondent are in direct competition with each other and both approach prospective customers under the name STRONGHOLD.

The evidence in the record abundantly established that Respondent was the first to use the STRONGHOLD trade-mark, that the trade-mark was extensively advertised and widely used, that purchasers associated the name STRONGHOLD with Respondent and that confusion has resulted because Petitioner contacts Respondent's customers under the name STRONGHOLD. (R. 467)

The case was tried in the District Court in December, 1951, before the Honorable J. Sam Perry who had been appointed and had taken office three months earlier. Judge Perry, in his memorandum opinion (R. 437, 107 F. Supp. 969), expressed a very narrow and unduly technical approach to the resolution of trade-mark infringement problems and held for Petitioner. The Court of Appeals properly reversed Judge Perry (205 F. 2d 921). In so doing, the Court did not disturb many of the basic fact findings of Judge Perry but reversed him principally on his conclusions of law such as infringement of Respondent's trade-mark registration, descriptiveness, likelihood of confusion, and the interpretation of Illinois law.

II. PETITIONER FAILS TO PRESENT ADEQUATE REASONS FOR THE ISSUANCE OF THE WRIT.

It is plainly apparent that Petitioner is here seeking another factual determination of the merits of its defense. The record is long, the exhibits voluminous and Petitioner's contentions were given adequate consideration

by the Court of Appeals. That Court considered the appropriation by Petitioner of Respondent's STRONGHOLD trade-mark for like products sold to identical customers, and found Petitioner's conduct did not come within the "principles of old fashioned honesty", the test to be applied in cases of this kind. (R. 465)

In *Layne & Bowler Corporation* v. *Western Well Works, Inc., et al.*, 261 U. S. 387, this Court held that a writ of certiorari would not be granted unless the issue involved was of great public importance or unless an embarrassing conflict existed between the Courts of Appeal. Again in *Mangum Import Co., Inc.* v. *Coty*, 262 U. S. 159, this Court stated at Page 163:

> "* * * The jurisdiction was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing. * * *"

Fundamentally, this case is limited to a dispute between two competing corporations involving trade-mark infringement and unfair competition. The determination of the dispute will affect only these two corporations. There is in this case, no element of public importance requiring an expression of opinion by this Court. There is no conflict of decision on this same matter between the Court of Appeals for the Seventh Circuit and other Courts of Appeal. Likewise, there has been no departure by the Court of Appeals from the opinions of this Court. There is no important question of local or federal law requiring the attention of this Court.

Notwithstanding the complete absence of the adequate and usual reasons for the grant of a writ of certiorari in this case, Petitioner's points will be discussed in the order presented.

1. Respondent's Trade-Mark STRONGHOLD Is Not Descriptive and There Is No Conflict On This Matter Between the Decision Herein and Those of This Court or Other Courts of Appeal.

The Court of Appeals recognized that one may not exclusively appropriate a common descriptive word. (R. 466) If a word has been generally used to describe a particular product, the grant to one person of an exclusive right to use that word as a trade-mark would preclude all other competitors from adequately or appropriately describing their products. The recognition of such a word as a valid trade-mark would withdraw from the public a right which the public theretofore had,—the right to describe products by the particular word.

In this case, we do not have such a situation. Petitioner does not and cannot urge that it is required to use the word STRONGHOLD in describing its products. The record conclusively establishes that Petitioner has never used STRONGHOLD in a descriptive manner. On the contrary the District Court found that Petitioner was using the STRONGHOLD logotype as a technical trade-mark. (Finding 15, R. 449) The record is conclusive that Respondent has never used the word STRONGHOLD in a descriptive manner. The many exhibits introduced on behalf of Respondent show that the word STRONGHOLD has always been featured as a trade-mark. As APPENDIX A at the back of this brief we have reproduced some of Respondent's labels and advertising material. It is clear from these exhibits that, the word STRONGHOLD, which appears in very large type is used only as a trade-mark.

The Court of Appeals properly found that STRONGHOLD was not descriptive of Respondent's products and pointed out that Petitioner is in a weak position to assert that STRONGHOLD is a descriptive word invalidating Respond-

ent's trade-mark because when Petitioner was threatened with trade-mark infringement it proceeded to register its STRONGHOLD logotype in 46 states of this country. Under these circumstances, Petitioner's assertion that STRONGHOLD is descriptive is without merit. In order for such a contention, to be urged in good faith, Petitioner would have to show that it had used STRONGHOLD in a descriptive way or that others in the industry had commonly described their fastener products with the word STRONGHOLD. This, of course, Petitioner has not established and it is inherent that such facts could not be established. Petitioner has used STRONGHOLD only as a feature word and as a trade-mark. It is inherent that such use would lead to confusion between Petitioner and Respondent. The word STRONGHOLD is for all practical purposes incapable of being used in a descriptive way.

Petitioner asserts there is a conflict between the decision of the Court of Appeals in the instant case and the opinions of this Court in *Standard Paint Co.* v. *Trinidad Asphalt Mfg. Co.*, 220 U. S. 446, and *William R. Warner & Co.* v. *Eli Lilly & Co.*, 265 U. S. 526.

In the *Standard Paint* case, both plaintiff and defendant were using "Ruberoid" and "Rubbero" in a descriptive way on similar goods. This Court held in that case that since defendant was using "Rubbero" to describe its roofing material, it could not be enjoined. Some years later, another company sought to take advantage of the opinion of this Court in the *Standard Paint* case by organizing a company called *Rubberoid Roofing Co.* and by using "Rubberoid" as a trade-mark. The *Rubberoid Roofing Co.* was sued for unfair competition and the Court of Appeals for the Seventh Circuit in *Standard Paint Co.* v. *Rubberoid Roofing Co., et al.* (224 F. 695) stated:

> "* * * If appellee used the word 'rubberoid' merely as descriptive of its roofing, there could be no cause

for complaint. But it goes further; it designates its product, not adjectively and descriptively as a rubberoid roofing, but substantively and by a trade-name as 'Rubberoid.' The noun rubberoid, not the adjective, is expressly claimed to be the brand of its roofing. In one of the letters in evidence it speaks of 'our Rubberoid brand roofing.' The evidence clearly demonstrates that the use of the word as a trade-name or brand was not adopted innocently and in ignorance of appellant's rights, or continued in a way clearly to differentiate the two products, but that it was done willfully and fraudulently, with full knowledge of the secondary signification that the word had acquired, with the intent and in a manner—

> " 'calculated to mislead the public with respect to the origin * * * of the goods and thus to invade the right (of appellant) to the use of the name or term as a designation of (its) merchandise. *Davids Co.* v. *Davids,* 233 U. S. 461, 34 Sup. Ct. 648, 58 L. Ed. 1046.'

"The decision in the *Trinidad* Case, *supra,* furnishes no justification for such acts. The court there found as a fact that, although the word 'rubbero' was used as the name of an article, there was no unfair competition; that the defendant therein did 'not use the word 'rubbero' in such a way as to amount to a fraud on the public.' Appellee in the instant case, however, not merely adopted the well-established trade-name of appellant's product to designate its roofing, but it did so with the intent to induce the belief that it was handling appellant's goods. * * *"

"* * * It has so printed the word 'Rubberoid' in its corporate name, on circulars, letters and labels as to make this word appear as its trade-name."

The facts of the above case are similar to the facts in the present case. Here the Petitioner does not assert that it has used STRONGHOLD as a descriptive word and that it will be precluded from using STRONGHOLD to describe

its products, but Petitioner insists that it has the right to continue to use the name STRONGHOLD as its technical trade-mark and as part of its corporate name and under circumstances that lead only to confusion between Petitioner and Respondent.

Petitioner also asserts a conflict between the opinion of the Court of Appeals in the instant case and that of this Court in *William R. Warner & Co.* v. *Eli Lilly & Co.*, 265 U. S. 526. In the *Warner* case, this Court held that the name "Coco-Quinine" was descriptive of the ingredients of the preparation being sold and that the defendant in using this name was not infringing any valid trade-mark. This Court stated:

> "* * * The use of a similar name by another to truthfully describe his own product does not constitute a legal or moral wrong, * * *" (265 U. S. 528)

There is no similarity between the *Warner* case and the instant case because in this case it has not been established that Petitioner or anyone else has ever used STRONGHOLD to describe fastener products.

Petitioner also alleges a conflict between the opinion of the Court of Appeals in the instant case and that of the Court of Appeals for the Third Circuit in *Rosenberg et al.* v. *Shakeproof Lock Washer Co.* (100 F. 2d 811) In the *Rosenberg* Case, the Court of Appeals adopted the reasoning of the District Court contained in an opinion reported at 20 F. Supp. 959. In this opinion, the District Court pointed out that the words "self-tapping" upon which plaintiff sought to predicate its trade-mark rights had for many years been used in the industry to describe various types of screws. The Court held that plaintiff's predecessors had used this trade-mark in a purely descriptive manner and not as a trade-mark. The Court

also pointed out that the defendant had always used the word "self-tapping" in a descriptive sense.

There is no conflict between the decision of the *Rosenberg* Case and the decision in the instant case. Neither of the parties to this case nor anyone else in the industry has used STRONGHOLD to describe fastener products.

Petitioner asserts a conflict between the opinion here and that of the Court of Appeals for the Sixth Circuit in *Computing Scale Co.* v. *Standard Computing Scale Co.* (118 F. 965) In the latter case the plaintiff was attempting to enforce a monopoly on the words "computing" and "standard". In its decision, the Sixth Circuit Court of Appeals pointed out that the word "computing" aptly described weighing scales and that at the time plaintiff adopted this mark it had been applied to scales of the same class and that a number of patents had been granted for scales described as "computing scales". The Court stated:

> "• • • But the facts we have referred to, showing the prior use of the word as descriptive of the scale, and its subsequent wide adoption, are very forceful in showing that the word has from the origin of such scales been by common consent and general usage regarded as a descriptive term aptly describing the function of the scale in aiding the operation of computing or calculating the aggregate price to be paid for the article weighed thereon when properly adjusted by an intelligent operator. In view of the significance of the word 'computing' when applied to a scale of the class here involved, it is very plain that it cannot lawfully be appropriated as a valid trademark, and that others may employ it with equal right and truth as descriptive of their own scales, when constructed for a like purpose. The effort to turn the descriptive word 'standard' into an exclusive trade-mark either separately or in connection with the verb 'computing,' is still less defensible, and we need say no more than we have said." (118 F. 965)

There is no conflict between the decision of the Sixth Circuit Court of Appeals in the *Computing* case and the Court of Appeals in the instant case. The facts are basically different in that in the *Computing* case it was established that "computing" had been used descriptively by the industry generally. In the instant record, there is no evidence that anyone has ever used STRONGHOLD descriptively.

Petitioner also relies upon the case of *Wisconsin Electric Co.* v. *Dumore Co.* (35 F. 2d 555) in which the Sixth Circuit Court of Appeals held that the word "Dumore" was descriptive. In this case the Court held that the word was merely a "made up" word from the words "do" and "more" and indicated that the electrical products to which the trade-mark was applied would do more than similar electric products. However, the Court concluded that the trade-mark "Dumore" had acquired a secondary meaning and granted plaintiff the relief requested.

The decision of the Court of Appeals in the instant case is in line with the decisions of other Courts in considering the same type of question. These cases are:

Holeproof Hosiery Co. v. *Wallach Bros.*, 172 F. 859 (C.C.A. 2—1909).

Globe-Wernicke Co. v. *Brown et al.* (C.C.W.D. Pa. 1903) 121 F. 185.

and

W. G. Reardon Laboratories, Inc. v. *B. & B. Exterminators, Inc.* 71 F. 2d 515, (C.C.A. 4—1934).

The conclusion of the Court of Appeals that STRONGHOLD is not descriptive is also in line with the test stated in "Unfair Competition and Trade-Marks" by Nims, Fourth Edition, Volume I, Page 538, as follows:

> "A practical test is to inquire whether giving to the plaintiff the right to appropriate the word as his trade-mark in any way 'restricts others from properly describing similar articles produced by them.' This does not mean that a word is not 'descriptive' in trade-mark law unless it is 'exhaustively descriptive,' or that it is the only name for the article, or the best or most appropriate word with which to describe the goods. In some cases where trade-marks have been held to be invalid, the courts have pointed out that the words claimed as trade-marks are the only words or the most appropriate words by which the goods can be named or described. Where recognition of trade-mark rights would deprive competitors of the only or best means of naming and describing their wares there can be no doubt as to the invalidity of the claimed trade-mark. * * *"

Petitioner criticizes the language of the Court of Appeals in its discussion of this matter of descriptiveness. (R. 466) The Court pointed out that:

> "* * * A person unaware of the particular product or the manufacturer, upon seeing or hearing the name Stronghold, would find it virtually impossible to identify the product to which it might have been applied. * * *"

There is ample justification for this statement of the Court of Appeals. The name STRONGHOLD could adequately be suggestive of the attributes of glue, ropes, hooks, cartons, suspenders, shoe laces, fencing, derricks, tape and many other items. STRONGHOLD obviously is not a word primarily descriptive of fastener products. The situation in this case is similar to that in the case of *Hamilton-Brown Shoe Co.* v. *Wolf Bros. & Co.* (240 U.S. 251) wherein this Court was considering the trade-mark "The American Girl" and an attack upon this trade-mark as being descriptive. In its opinion this Court concluded:

"* * * But 'The American Girl' would be as descriptive of almost any article of manufacture as of shoes; that is to say, not descriptive at all. * * *" (240 U.S. 251, 257)

Petitioner asserts that under the decision of the Court of Appeals, Respondent has the right to stop others from using the word STRONGHOLD on fastener products, and that therefore Respondent has acquired an illegal monopoly. Such reasoning is without foundation. Respondent, during the course of almost 20 years, has spent a considerable amount of money in advertising its STRONGHOLD line of products. Petitioner cannot show that during this period others have used the name STRONGHOLD for like products.

Respondent has enjoyed an excellent reputation in the industry for its Stronghold products. Petitioner, the latecomer, is seeking to capitalize upon Respondent's popularity under the name Stronghold and upon Respondent's good will. The industry generally will not be deprived of the use of common ordinary words to describe its products and neither will Petitioner. By the opinion of the Court of Appeals and the judgment to be entered thereunder, Petitioner will be prevented from confusing the public and from selling its fastener products under Respondent's STRONGHOLD trade-mark. Justice requires this result. As the Court of Appeals stated:

"Defendant was the late comer in the adoption of the word 'Stronghold.' Defendant's first use of it was four years after plaintiff had applied it to its new type nail and began its aggressive advertising campaign featuring the word 'Stronghold.' Defendant adopted its logotype emphasizing the word 'Stronghold' with full knowledge of plaintiff's registered trade-mark which featured the same word. It did so at its peril." (R. 466)

2. The Test for Trade-Mark Infringement Under the Lanham Act Is the Same As That Which Has Been Applied Under Prior Trade-Mark Acts.

The Trade-Mark Act of 1881 in the section on infringement provided that:

> "* * * Any person who shall reproduce, counterfeit, copy or colorably imitate any trade-mark registered under this act * * *",

shall be guilty of infringement.

This Court in determining a question of infringement under the Trade-Mark Act of 1881 in *Saxlehner* v. *Eisner & Mendelson Co.* (179 U. S. 19, 33) stated:

> "* * * It is not necessary to constitute an infringement that every word of a trade-mark should be appropriated. * * *"

The Trade-Mark Act of 1905 provided:

> "* * * Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy, or colorably imitate any such trade-mark * * *",

shall be guilty of infringement.

Many courts have construed the infringement section of the 1905 Trade-Mark Act. The courts have uniformly held that in order to constitute infringement it is not necessary that the accused mark be a substantial duplicate of the registered mark. Typical of these decisions is that of *Queen Mfg. Co.* v. *Isaac Ginsberg & Bros., Inc.*, (25 F. 2d 284) wherein the Court of Appeals for the Eighth Circuit stated:

> "In order to constitute an infringement, it is not necessary that the trade-mark be literally copied * * *. Neither is it necessary that every word be appropriated. There may be infringement where the substantial and distinctive part of the trade-mark is copied or imitated. * * *"

The Court of Appeals in the instant case (R. 465) quotes the general rule as stated in Nims' book on "Unfair Competition and Trade-Marks", Fourth Edition, Volume I, Page 678 and refers to its earlier opinion in *Northam Warren Corp.* v. *Universal Cosmetic Co.* (18 F. 2d 774)

The Lanham Trade-Mark Act tests an infringement as any

> "* * * reproduction, counterfeit, copy or colorable imitation * * *"

of a registered mark. A comparison of the infringement section of the Trade-Mark Acts of 1881, 1905 and of the Lanham Act of 1946 shows that these Acts are practically identical. In the instant case, the Court of Appeals was not faced with interpretation of any basically new infringement question and properly applied the interpretation set forth by this Court in 1900 and that of many Courts of Appeal in construing both the Trade-Mark Act of 1881 and 1905.

The facts in the instant record establish that Respondent acquired a trade-mark registration (R. 7) the predominant word of which is STRONGHOLD. Because of the extensive advertising of Respondent's STRONGHOLD line of products, the public identified the name STRONGHOLD with Respondent. (R. 21-2, 34, 84-6, 100, 106, 122, 130, 139-141, 149-151, 164-9, 182) Petitioner, in using the name STRONGHOLD as a predominant part of its advertising logotype and its corporate name has appropriated the principal and distinguishing feature of Respondent's trade-mark. Under the authorities this constitutes infringement.

In view of the fact that there has been no substantial change in the infringement section of the Lanham Trade-Mark Act from the infringement sections of the earlier Acts, there is no occasion for this Court to re-examine the uniformly announced test of infringement which appears

in cases decided by this Court and by many Courts of Appeal.

There is further no reason for this Court to engage in a determination as to whether or not Petitioner's use of the name STRONGHOLD infringes Respondent's registered trade-mark since the Court of Appeals has held that Petitioner also infringes the common law trade-mark STRONGHOLD which was acquired by Respondent independently of the trade-mark for which it has a registration. Since Petitioner clearly infringes Respondent's common law trade-mark STRONGHOLD, a reconsideration of the Court of Appeals' judgment on the question of infringement of the registered trade-mark would not affect the ultimate decision of this case.

3. The Court of Appeals Conformed to the Doctrine of Erie Railroad vs. Tompkins and Applied Correctly the Illinois Law of Unfair Competition.

In its Petition and Brief, Petitioner urges that the Court of Appeals did not apply the correct Illinois Law on the question of unfair competition.

It is a complete answer to Petitioner's assertion on this point to call attention to the fact that jurisdiction in this case is predicated upon an infringement of the Federal Lanham Trade-Mark Act as well as on unfair competition. The Court of Appeals held that Petitioner has waived any right it may have to collect damages and the judgment to be entered in this case may be based wholly on jurisdiction under the Lanham Act to which state court law does not apply. Therefore, such judgment will not in any way be affected by a consideration and even a reversal of the opinion of the Court of Appeals upon the point urged in the third section of the Petitioner's argument.

In any event, it is clear that the Court of Appeals followed the mandate of this Court laid down in *Erie Railroad* v. *Tompkins* (304 U.S. 64), and applied Illinois Law in the determination of the question of unfair competition. Petitioner asserts that the Court of Appeals failed to give consideration to the case of *Good Housekeeping Shops, Inc.* v. *Hyman Kaye & Harry Cohen, Trading as Good Housekeeping Table Pad Co.*, (330 Ill. App. 376). This Illinois Appellate Court case decided after the other cases referred to in the opinion of the Court of Appeals did not in any way change the law announced in the earlier Illinois cases. In the *Good Housekeeping Shops* case, the Illinois Appellate Court stated:

> "• • • We have examined the exhibits containing the advertisements of the respective parties and conclude that there is no likelihood that prospective customers of plaintiff or the general public would believe that defendants, in the use of the trade names they adopted, were in any way connected with plaintiff." (330 Ill. App. 376, 384)

The facts in the case show that Plaintiff, doing business under the name of Good Housekeeping Shops, Inc., dealt in approximately 1,000 different products and that Defendant sold only table pads and venetian blinds. The facts further showed that neither the Plaintiff nor the Defendant actually used the term "Good Housekeeping" as a trade-mark applied to its products. Under these circumstances, the Court found no likelihood of confusion and the complaint was dismissed. The Court, however, did, in the above quoted language, apply the same reasoning as was applied in the earlier Illinois cases and reaffirmed the test as being likelihood of confusion.

Petitioner also asserts that the Court of Appeals in the instant case failed to give consideration to two earlier cases decided by it. The cases being the *General Industries* case (156 F. 2d 474) and the *Wilhartz* case (164 F.

2d 731). Both the *General Industries* and the *Wilhartz* cases are limited to factual situations in which the parties to the litigation are not in competition with each other. Both of these cases were discussed and the foregoing conclusion reached in *Consumers Petroleum Co.* v. *Consumers Co. of Illinois* (169 F. 2d 153, 162), decided by the Court of Appeals for the Seventh Circuit in 1948.

The record in the instant case establishes without question, and the Court of Appeals found, that Petitioner and Respondent are actually in competition with each other selling the same line of products to the same customers and that confusion has resulted. The decisions relied upon by Petitioner are therefore not in point in this case. In the briefs filed in the Court of Appeals, all of the applicable Illinois law was set forth. The Illinois cases hold that the test for unfair competition is likelihood of confusion. The Court applied the Illinois law, and therefore conformed to the mandate of this Court as set forth in *Erie Railroad* v. *Tompkins*. This Court should not be concerned with a re-examination of either the Illinois cases or the Court of Appeals interpretation of them.

4. The Court of Appeals Properly Reversed the Judgment of the District Court Which Was Based Upon Findings Clearly Erroneous.

Petitioner criticizes the Court of Appeals for the Seventh Circuit in this case and impliedly criticizes it in six other cases in which petitions were filed in this Court within the past two years. The Court of Appeals for the Seventh Circuit clearly stated the rules which govern it in its appellate consideration of trade-mark cases in *Benrose Fabrics Corporation* v. *Rosenstein* (183 F. 2d, 355) wherein it stated:

> "From the foregoing facts and certain others, some controverted and some undisputed, with which it

is unnecessary to belabor this opinion, it seems clear to us that the evidence was of such character and weight as to support the findings and conclusions. We can conceive of no right upon our part to set them aside, for we cannot say, as a matter of law, that they are clearly erroneous. True, with other courts, we have announced that if findings rest upon documents, depositions or upon mere comparison of names, if credibility of witnesses is not involved, or if the trial tribunal has no opportunity to observe the witnesses, a court of review is as well qualified to pass upon the weight of evidence as is the trial court, but where, as here, conflicting stories are told by witnesses whose credibility is at stake, we may not supersede the determination of the finder of facts and substitute our judgment for his. It is not a question of whether we would have made the same finding; it is rather a question of whether the evidence substantially and adequately supports it. Rule 52(a) of the Federal Rules of Civil Procedure."

In *Best & Co.* v. *Miller* (167 F. 2d 374, 377, 1948) the Court of Appeals, Second Circuit stated:

"* * * The trial judge correctly ruled that unfair competition is a question of fact, and the test is 'whether the public is likely to be deceived.' Applying this test he found no unfair competition. Such a finding is not conclusive on an appellate court, if it takes a different view as to the likelihood of deception."

In *McCormick & Co., Inc.* v. *The B. Manischewitz Company* (98 U.S.P.Q. 367, decided September 3, 1953) the Court of Appeals for the Sixth Circuit stated:

"* * * It also follows that while extrinsic facts are significant, the likelihood of confusion may as readily be perceived by a reviewing court upon visual comparison as by a court of first instance, unless extrinsic facts compel determination one way or the other."

In the instant case, a substantial part of the testimony was taken by deposition and the Court of Appeals was as free to consider this deposition testimony as was the

District Court. Substantially all of the evidence related to the adoption and use of the Respondent's STRONGHOLD trade-mark and the confusion in the trade was established in this deposition testimony. The determination of the question of trade-mark infringement involves a comparison of Respondent's trade-mark registration, its labels and advertising with the manner of use of STRONGHOLD by Petitioner. All of this calls for the examination of documents which is as freely available to the Court of Appeals as it is to the District Court.

There was in this case no conflict of testimony of the witnesses requiring the determination by the trial court of their credibility. The deposition testimony and the documentary evidence in the case are amply sufficient to demonstrate that Judge Perry's conclusions on the questions of trade-mark infringement, descriptiveness, and unfair competition are clearly erroneous. The Court of Appeals so held and in so doing, it carried out the proper function of a Court of Appeals.

This Court should not be called upon on a petition for a writ of certiorari to review the record to determine the facts. Yet Petitioner in its petition, asks this Court to review the evidence and make an independent determination of the facts and upon such a determination to grant the writ. Petitioner asserts that there apparently was error in the introduction of evidence but that the District Court was not influenced by the inadmissible or objectionable evidence. At the time the depositions were introduced in evidence, Petitioner in effect waived the objections which were made during the taking of the depositions (R. 330-1). Petitioner's argument on this ground seems to be that the District Court was in a better position to read the depositions and draw conclusions therefrom than was the Court of Appeals. It seems highly un-

usual and improper to ask this Court to rule upon the admissibility of evidence in a situation where Petitioner waived whatever objection it might have to the introduction of such evidence.

Petitioner asserts that there was no basis for the Court of Appeals' finding that confusion resulted from Petitioner's use of Respondent's STRONGHOLD trade-mark. The opinion of the Court of Appeals on these matters is clear and the opinion is based upon the facts contained in the record. We are setting forth as APPENDIX B a summary of the testimony appearing in the record on this point. This testimony shows that confusion occurred throughout the United States. Substantially all of this testimony was by deposition and the Court of Appeals was free to draw conclusions from this testimony independent of the conclusions of the District Court.

III. CONCLUSION.

Respondent has, by the expenditure of a vast amount of money and a reputation for quality products, acquired a valuable right in its STRONGHOLD trade-mark. Petitioner began the encroachment upon Respondent's valuable right by using Respondent's STRONGHOLD trade-mark, not to describe Petitioner's products, but as a large print trade-mark. Later the encroachment was complete when in 1946 it changed its corporate name to STRONGHOLD SCREW PRODUCTS, INC. Petitioner registered Respondent's trade-mark in its own name in 46 states and Petitioner under the name STRONGHOLD SCREW PRODUCTS, INC. falsely represented itself in a trade publication as a nail manufacturer, a business in which Respondent has been engaged for years but a business in which Petitioner has never engaged. (R. 396) All of these acts have caused confusion in the trade and enabled Petitioner to trade upon the good will of Respondent and the popularity of its STRONGHOLD products.

The facts in the case are clear and the law has been properly applied. There is no conflict of decisions and no question of public importance involved in this case. The basic finding is that Petitioner has, in the conduct of its business, failed to conform to the principles of old-fashioned honesty and under these circumstances the Petition should be denied.

Respectfully submitted,

THOMAS F. MCWILLIAMS,
53 W. Jackson Blvd.,
Chicago, Illinois,

HERBERT A. BAKER,
53 State Street,
Boston, Massachusetts,
Attorneys for Respondent.

APPENDIX—A.

ILLUSTRATIVE EXAMPLES OF RESPONDENT'S LABELS AND ADVERTISING CIRCULARS.

Item No. 1

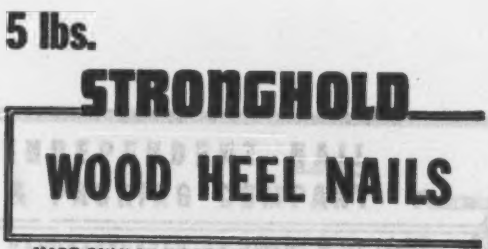
Plaintiff's Ex. 104 - Label used beginning in 1936 (R 207)

Item No. 1

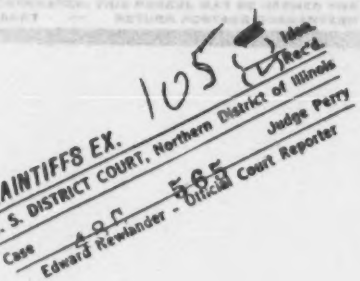
Plaintiff's Ex. 10A - Label used beginning in 1936 (R 207)

Item No. 2

Plaintiff's Ex. 105 - Label used by United Shoe Machinery Co. in nationwide distribution of Plaintiff's products (R 208)



Plaintiff's Exhibit 5-D — Answers to interrogatories



Item No. 2

Plaintiff's Ex. 105 - Label used by United Shoe Machinery Co. in nationwide distribution of Plaintiff's product (R 208)

5 lbs.

STRONGHOLD

WOOD HEEL NAILS

MADE ONLY BY INDEPENDENT NAIL & PACKING CO.

DISTRIBUTED BY

UNITED SHOE MACHINERY CORPORATION

BOSTON, MASS., U.S.A.

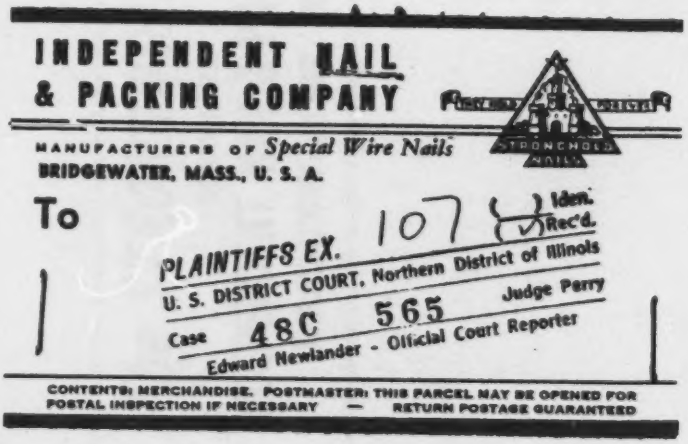
Plaintiff's Exhibit 5-D

PLAINTIFF'S EX.
105
U. S. District Court, Northern District of Illinois
Eastern Division
Case
Clerk's Receipt
Court Reporter

5A

Item No. 3

Plaintiff's Ex. 107 - Mailing label used extensively by Plaintiff (R 214)


INDEPENDENT NAIL
& PACKING COMPANY
MANUFACTURERS OF Special Wire Nails
BRIDGEWATER, MASS., U. S. A.
STRONGHOLD
To
PLAINTIFFS EX. 107 Iden. Rec'd.
U. S. DISTRICT COURT, Northern District of Illinois
Case 48C 565 Judge Perry
Edward Newlander - Official Court Reporter
CONTENTS: MERCHANDISE. POSTMASTER: THIS PARCEL MAY BE OPENED FOR POSTAL INSPECTION IF NECESSARY — RETURN POSTAGE GUARANTEED

6A

Item No. 4

Plaintiff's Ex. 108

Gummed label used on containers by Plaintiff since 1949 (R 221)

The Strong Cliff Koloring Co.
INDEPENDENT NAIL & PACKING CO.
KOLORPRINT
SCREW-TITE
ANCHORSTAT
SCREW ANCHORED SCREWS
ANY METAL OR FINISH
SPECIAL NAILS IN
KOLORPRINT

MONEL NAILS

KOLORPINS
FOR WALL BOARD

SCREW-TITE
FLOOR NAILS

STEEL
ALUMINUM
COPPER
BRASS
BRONZE
SILICON BRONZE
NICKEL SILVER
STAINLESS STEEL
MONEL
NAILS & DRIVE SCREWS

INDEPENDENT NAIL & PACKING CO.

BRIDGEWATER, MASS.

Manufacturers of Special Wire Nails

Item No. 5

Plaintiff's Ex. 110

Reproduction of Plaintiff's trade-mark as it appeared on Plaintiff's shipping cartons (R 222)

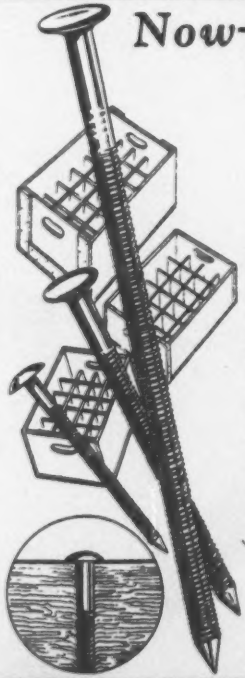
74

FOLLOWED

INDEPENDENT NAIL & PACKING CO.
BRIDGEWATER, MASS.
Manufacturers of Special Wire Nails

U. S. DISTRICT
Case
Edward Newlander - Official Court Reporter

PLAINTIFFS EX. 112
U. S. DISTRICT COURT, Northern District of Illinois
Case
Judge Perry
Edward Newlander - Official Court Reporter



Now—DEMAND from your Box Maker
Better—Stronger—Tighter Boxes

NAILED WITH

STRONGHOLD

THE "ONE WAY" BOX NAILS

• They Hold Forever • Increase Box Strength •
• Can't Work Up or Pop Out • Eliminate Renailing Costs •

Stronghold Box Nails are "One Way Nails." They cannot pop out or work loose under any condition of use or abuse. Once in the wood they're there for good, form joints that outlast the wood itself—hence the constant purchase of new cases is materially reduced and renailing costs are practically eliminated.

Short-lived bottle cases that pull apart, require constant replacing or repairing are expensive items in any bottler's language, because such maintenance increases overhead and cuts profits, a needless waste of good money when Stronghold Nails will solve the problem.

We'll supply nails for Test Purposes—will send them to you or to your box maker to have Stronghold test cases built. Then when you've proved to your own satisfaction that Stronghold nailed cases are stronger, tighter, longer-lived and save you money, it will be up to you to insist that all your cases be nailed with Strongholds. Mail the coupon today.

INDEPENDENT NAIL & PACKING COMPANY
BRIDGEWATER, MASSACHUSETTS

Please send, without obligation, details, prices and free supply of Stronghold Box Nails for test purposes to

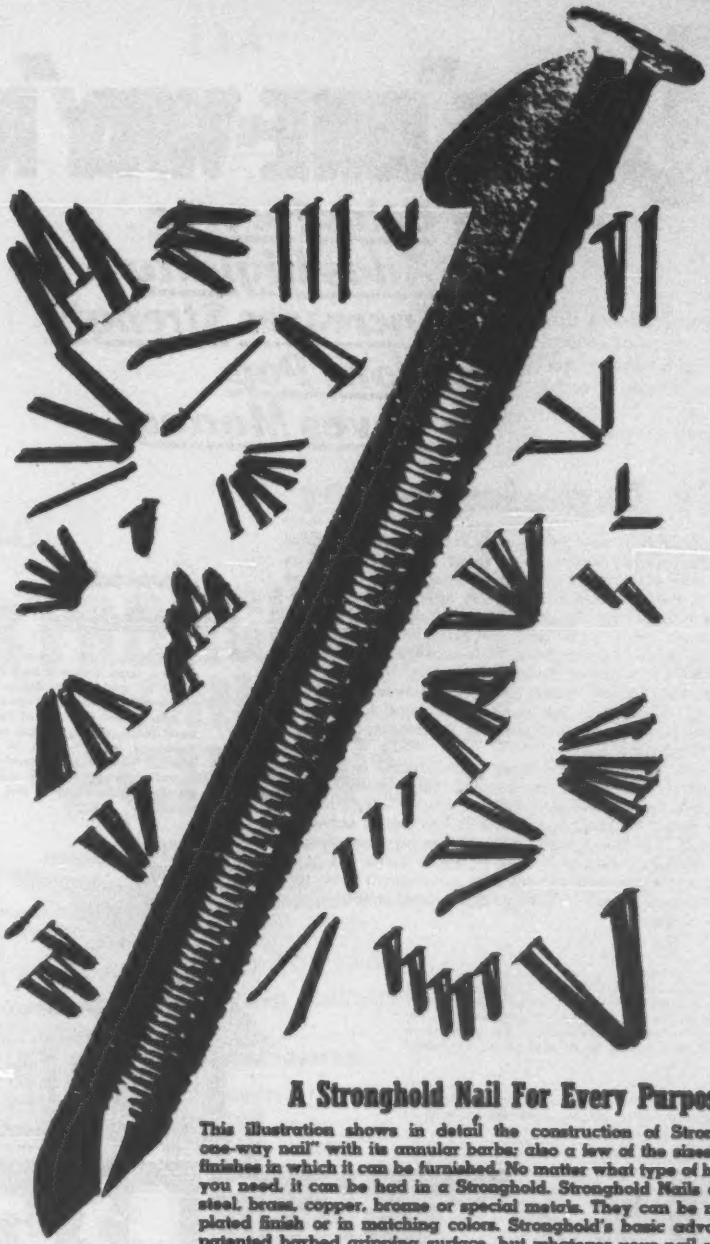
Firm Name Mem Loca-Cola Bottling Co ...x Maker .....
Address 414 P.M. St., MACON, GA. Address .....
Request by ..D.I.2MORE..... Size of Nails Desired ..1¾"..... .....

Reprinted from the August 1940 issue of the National Bottlers' Gazette

FOLLOWED

Plaintiff's Ex. 112 - Advertisement appearing in August 1940 issue of National Bottlers' Gazette (R 225)

84
Item No. 6



A Stronghold Nail For Every Purpose

This illustration shows in detail the construction of Stronghold, "the one-way nail" with its annular barbs; also a few of the sizes, styles, and finishes in which it can be furnished. No matter what type of head or point you need, it can be had in a Stronghold. Stronghold Nails are made of steel, brass, copper, bronze or special metals. They can be made in any plated finish or in matching colors. Stronghold's basic advantage is its patented barbed gripping surface, but whatever your nail requirements may be, they can be better fulfilled with a Stronghold Nail made to your requirements.

Plaintiff's Ex. 113 - Sales promotion letterhead and circular used extensively by Plaintiff

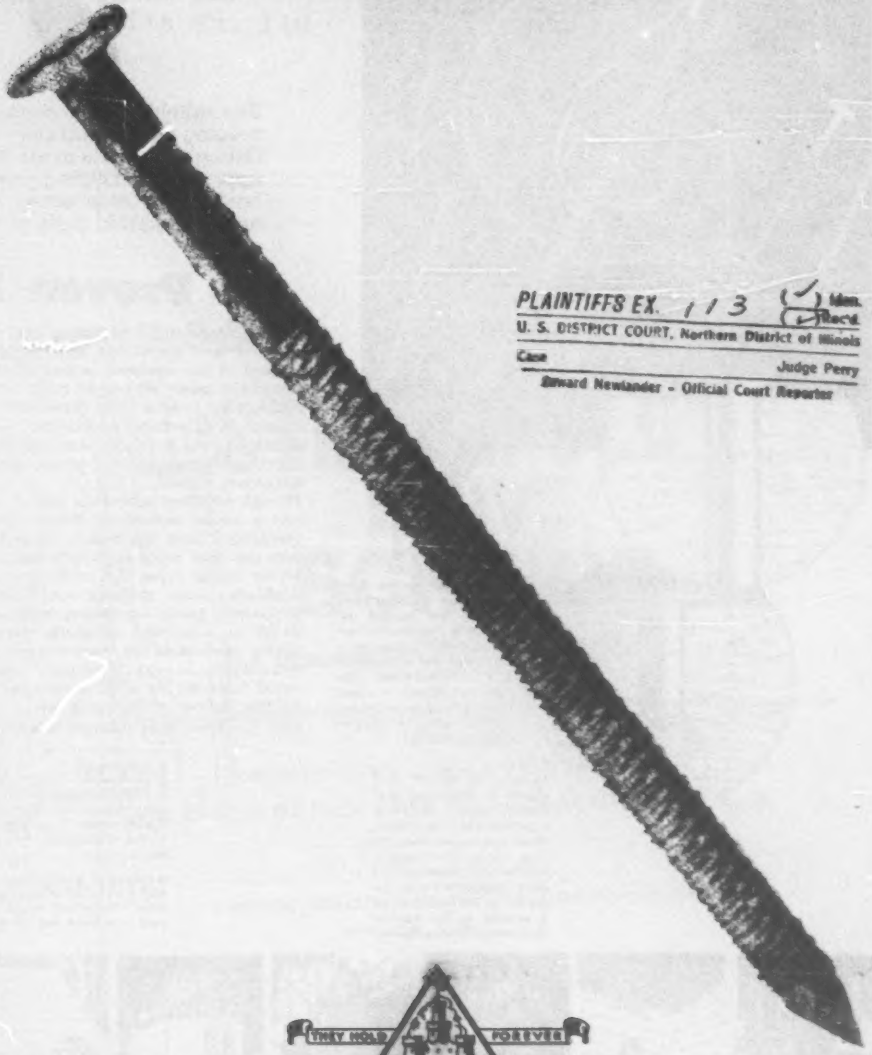
INDEPENDENT NAIL & PACKING COMPANY

Manufacturers of

STRONGHOLD . . . *"The One-Way Nail"*

BRIDGEWATER, MASS.

CABLE Address: INAPACO



PLAINTIFFS EX. 113 (✓) Identified (✓) Rec'd.
U. S. DISTRICT COURT, Northern District of Illinois
Case
Judge Perry
Edward Newlander - Official Court Reporter

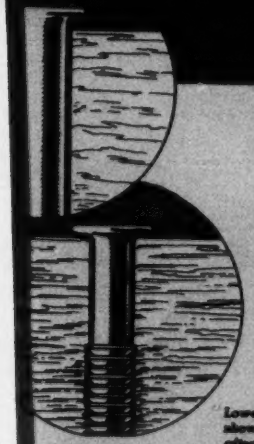
ghold Nail For Every Purpose

s in detail the construction of Stronghold. "the annular barbs: also a few of the sizes, styles, and be furnished. No matter what type of head or point ad in a Stronghold. Stronghold Nails are made of ronze or special metals. They can be made in any tching colors. Stronghold's basic advantage is its ping surface, but whatever your nail requirements etter fulfilled with a Stronghold Nail made to your

Stronghold THE 'ONE-WAY' NAIL

- Holds Forever
- Adds Rigidity
- Increases Strength
- Won't Pop
- Saves Money

Stronghold, "the one-way nail" has revolutionized all standards of the holding or gripping power of a nail. The entire gripping surface of every Stronghold nail is made up of annular barbs or flanges which give it the approximate holding power of a wood screw. This construction is covered by patents issued August 8, 1938, and is available in no other nail. Stronghold nails grip firmly forever; they will not pull or pop.



Upper cross section view shows an ordinary nail after a few months' exposure to the constant expansion and contraction of the wood, due to changing weather conditions. The nail has started to creep or pop, and is no longer holding tightly as it has no gripping surface.

Lower cross section view shows a Stronghold nail after a similar period of exposure. The wood fibres, displaced when the nail was driven, have sought their original position, and have interlocked with the barbs of the nail holding it exactly in the position into which it was driven.

Proven By Test and By Experience

An important and interesting fact about Stronghold, "the one-way nail" is that it was devised to meet a demand, created at the repeated request of others,—not just to have something new. Wherever nails were used, men were realizing that lumber was practically in a constant state of change, expanding, contracting, swelling from moisture, shrinking from dryness,—and that this constant change was the cause of smooth nails giving way, pulling, popping, with disastrous results.

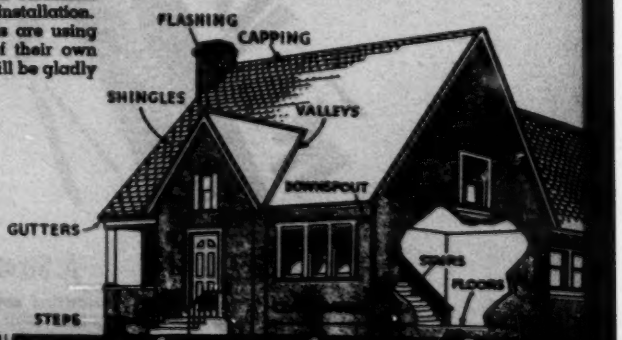
Though excellent materials and careful workmanship went into a house, squeaking floors, loose clapboards, brought complaints from the owner. Though a composition roofing was the best made, rips and tears developed. Though an owner might order the most expensive metal gutters and flashings, water seepage could start. Though boxes, lath, wallboard, boats,—anything fastened by nails, was perfect so far as labor and materials were concerned; there were plenty of chances for trouble if nails popped or pulled, and ordinary nails did. Obviously everything constructed of wood fastened by nails is completely dependent upon the holding power of the nails for its permanent strength and rigidity. Nothing is stronger than the grip of its nails.

The Stronghold Nail was deliberately created after years of research and testing to overcome these difficulties. It was not marketed until it had passed the inspection and rigid checking of the Research Laboratories of some of the leading companies of this country. All sorts of technical and practical tests were made and are still being made. The story is the same;—Stronghold, "the one-way nail" stays exactly where it is driven. It does not budge. It never pulls or pops. It holds tighter months after being driven than when first driven,—because of the fact that the wood fibres have had time to take their original positions, interlocking with the barbs on the Stronghold Nail.

Today practically every recognized manufacturer of asbestos cement siding products has adopted Stronghold as the standard nail for use with its products. The country's largest maker of metal building specialties is having its salesmen recommend the Stronghold Nail for every installation. Leading manufacturers in dozens of allied fields are using and promoting this nail for the best interests of their own products. Actual names of these manufacturers will be gladly given upon request.

General Building Uses

Stronghold, "the one-way nail" has many special uses, but nowhere is it more valuable than in general building construction. The illustration below indicates just a few of the places where the use of this nail will ensure permanent strength and rigidity, everlasting tightness for all sorts of joints, a constant holding and gripping power in spite of years of varied weathers and winds, in spite of the continual contraction and expansion of the wood.



PRICES The price of Stronghold Nails naturally varies depending upon size and finish. In general the price is slightly higher than for ordinary nails, but this slight differential is insignificant when considered in terms of performance. For example an ordinary frame house may call for a few dollars worth more of Stronghold nails, but the difference is nothing in proportion to the complete cost, or in comparison with the permanent "tightness" given to the construction. Definite prices will be gladly quoted when advised of size and finish desired, or of general requirements.

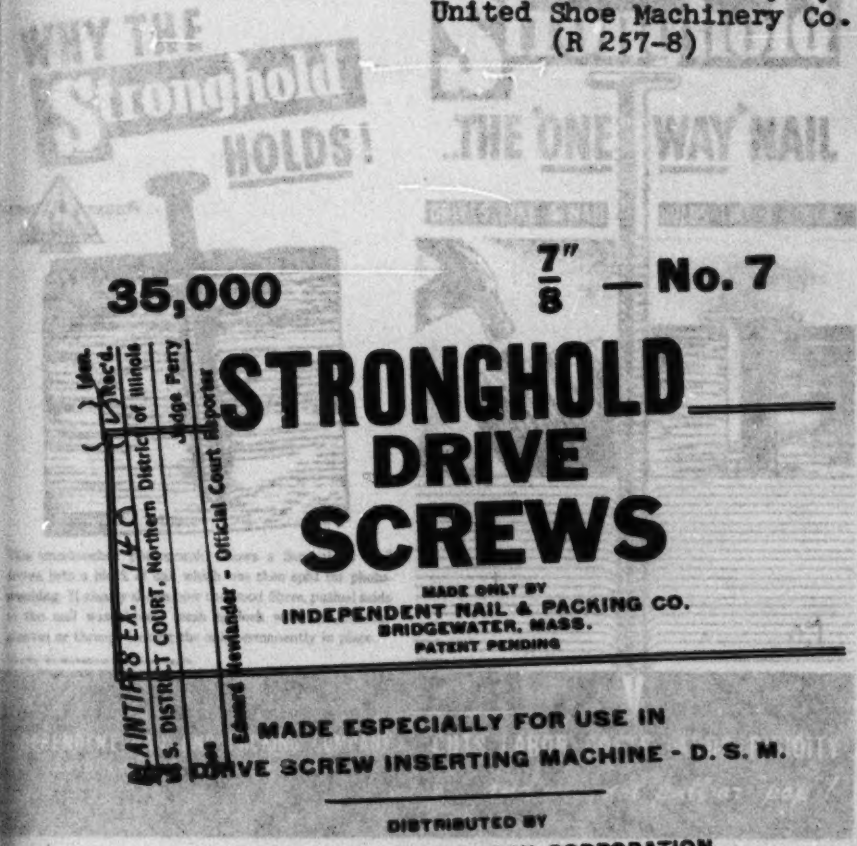
INTRODUCTORY OFFER Nothing is as satisfactory as an actual test of Stronghold Nails in direct comparison to ordinary nails. We will therefore gladly mail a liberal supply of samples if you will write us on your letterhead and tell us the general type of nail you use, or the problem facing you.

12A-

11A

Item No. 8

Plaintiff's Ex. 140 - Label used nationally by United Shoe Machinery Co. (R 257-8)



Plaintiff's Ex. 140 Rec'd. U.S. DISTRICT COURT, Northern District of Illinois Judge Perry Edward Hewlander - Official Court Reporter

THE ONE-WAY NAIL

- Holds Forever
- Increases Strength
- Won't Pop
- Saves Money

35,000 — 7/8" — No. 7

General

STRONGHOLD DRIVE SCREWS

MADE ONLY BY INDEPENDENT NAIL & PACKING CO. BRIDGEWATER, MASS. PATENT PENDING

MADE ESPECIALLY FOR USE IN DRIVE SCREW INSERTING MACHINE - U. S. M.

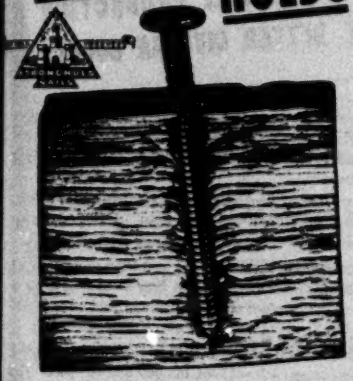
MADE ONLY BY UNITED SHOE MACHINERY CORPORATION BOSTON, MASS., U.S.A.

12 A

Item No. 9

Plaintiff's Ex. 12 - Sample of advertising circulated by Plaintiff

WHY THE Stronghold HOLDS!



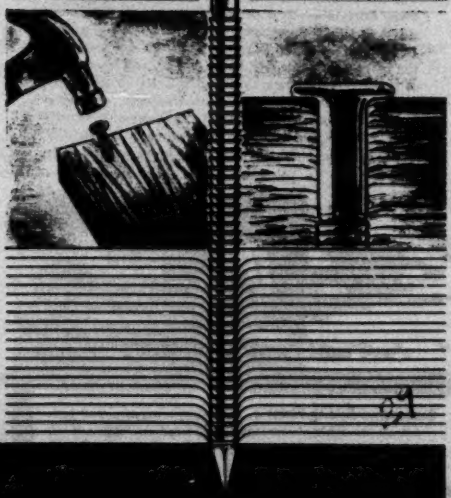
This unretouched photograph* shows a Stronghold Nail driven into a block of oak which was then split for photographing. It clearly shows how the wood fibres, pushed aside as the nail was driven, mesh or lock with the annular grooves or threads locking the nail permanently in place.

*Courtesy The International Nickel Company, Inc.

Stronghold

..THE 'ONE WAY' NAIL

DRIVES LIKE A NAIL — HOLDS LIKE A SCREW



INDEPENDENT NAIL AND PACKING COMPANY

CUTS LABOR COSTS, ADDS RIGIDITY

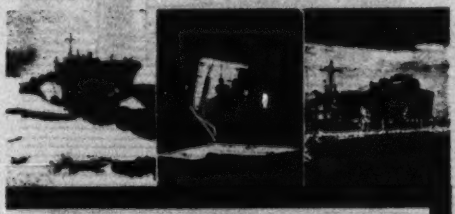
and will not pull or "pop"!

Stronghold

THE "ONE-WAY" NAIL

PROVEN IN WAR!

The requirements of War demanded the production of many items in tremendous quantities and with the utmost speed. In countless instances where wood assemblies were called for, Stronghold Nails assisted materially in making the program possible. PT Boats, Barges and Navy Craft of many types, Collapsible Landing Craft for the Army, Crates and Containers for over-seas shipping . . . wherever it became essential to fabricate and assemble wooden items at top speed with maximum strength and rigidity, Stronghold Nails did the job.



Comparative Holding Power By scientific apparatus, tests were made to determine the amount of force required to pull a Stronghold Nail, as compared to other types of nails and screws. Identical conditions existed for each. The Stronghold held, —

- 65% Better Than a Galvanized Nail
- 31% Better Than a Clinched Nail
- 19% Better Than a Riveted Nail
- 3% Better Than a Wood Screw

NOW SPEEDS PRODUCTION OF BETTER CIVILIAN GOODS!

1 **SAVES LABOR.** Stronghold Nails drive like ordinary nails, or can be used in any standard nailing machine. No pilot holes, no laborious hand or power screwing is necessary.

2 **CUTS COSTS.** Stronghold Nails cost less than screws, lower labor costs, eliminate waste by simplifying assembling processes and speeding up production lines.

3 **INCREASES STRENGTH.** Stronghold Nails provide strong fool-proof anchorage because their annular grooves or threads grip wood fibres tightly, and hold on. An individual 2-inch nail will resist over 800 pounds of pull.

4 **ADDS RIGIDITY.** Stronghold Nails stay in place for good, can't let go, will not back up, pull out, or "pop." This provides continued rigidity for finished items even when made from green stock.

5 **PROLONGS LIFE.** Stronghold Nails definitely add to the length of life of an item fastened with them because of the added strength and rigidity which is permanent. They are especially valuable in resisting severe mechanical stress.

Samples The only way to see how Stronghold Nails will speed up your production, lower your labor cost, and provide a stronger, more rigid product is to *try them yourself*. A supply sufficient for exhaustive tests will be sent to any manufacturer upon request.

Available in gauges, lengths, metals and finishes for every purpose!

Item No. 10 14A

Plaintiff's Ex. 12 - Sample of advertising circulated by Plaintiff

STRONGHOLD - The Nail That Stays Put....

Here is the Nail you've been looking for to fasten planking for bridges, docks, piers, ramps, guard rails, and other similar applications, so they will stay put.

No more popping and backing out. Once STRONGHOLD Nails are driven in they're there to stay.

Federal, State, County and Municipal highway departments throughout the country, are using these remarkable nails with great success.

Made in all sizes, metals and finishes.

If you will mail the enclosed card (no postage necessary) we will gladly send you a working sample of any size you wish.

INDEPENDENT NAIL & PACKING CO.
Bridgewater, Massachusetts

iginal
the Best

...age
...e Paid
...by
...ense

No Postage Stamp Necessary If Mailed in the United States

BUSINESS REPLY CARD
First Class Permit No. 2, Sec. 510 P. L. & R., Bridgewater, Mass.

INDEPENDENT NAIL & PACKING CO.
BRIDGEWATER, MASS.

Mail This Card Today

We Pay The Postage

15 A

Why Not Get
The Inside Story

SUPERINTENDENT OF HIGHWAYS
HIGHWAY DEPARTMENT OF

STRONGHOLD - The Nail That Stays Put . . .
The Original and Still the Best

SEC. 562 P. L.
U. S. POSTA
PAI
Permit No.
Bridgewater,

O.K.—We want the Inside Story!

Without obligation, please send us free samples and literature concerning STRONGHOLD Nails.

Name _____

Address _____

By _____

Our supply house is _____

_____

Item No. 11

Plaintiff's Ex. 12 - Sample of advertising circulated by Plaintiff

STRONGHOLD NAILS

Hold Like a Screw — Drive Like a Nail

REMEMBER

There is only one STRONGHOLD (THE ORIGINAL)

Ask for them by name

PROMPT SHIPMENT

If you fabricate articles from wood, plywood, masonite, presdwood, plastic, asbestos board, or any combination of these or similar materials, or if you require nails that drive through sheet metal, you should inquire about STRONGHOLD nails, that drive as easily as ordinary nails by hand or machine, but once driven, stay put—never back up or pop out.

These remarkable nails not only are cheaper than screws and similar fastenings, but their use effects additional substantial savings by increasing production.

Available in all metals and finishes and in a wide variety of sizes. Can be used in nailing machines.

Tear off, fill in and mail the attached card, and we will send you, free, (without any obligation) samples and literature concerning these remarkable nails.

INDEPENDENT NAIL & PACKING CO.
Bridgewater, Massachusetts

Postage Will be Paid by Addressee

No Postage Stamp Necessary if Mailed in the United States

BUSINESS REPLY CARD
First Class Permit No. 2, Sec. 34.9 P. L. & R., Bridgewater, Mass.

INDEPENDENT NAIL & PACKING CO.

BRIDGEWATER, MASS.

Mail This Card Today

We Pay The Postage

APPENDIX—B.

SUMMARY OF TESTIMONY ESTABLISHING THE CONFUSION WHICH HAS BEEN CAUSED BY PETITIONER'S UNAUTHORIZED USE OF RESPONDENT'S STRONGHOLD TRADE-MARK.

APPENDIX—B.

SUMMARY OF TESTIMONY ESTABLISHING THE CONFUSION WHICH HAS BEEN CAUSED BY PETITIONER'S UNAUTHORIZED USE OF RESPONDENT'S STRONGHOLD TRADE-MARK.

The evidence abundantly establishes that the use by Petitioner of STRONGHOLD in its corporate name and in connection with its products is confusing. Mr. Ward testified that he was familiar with the trade-mark STRONGHOLD as used by Respondent while he was with United Shoe Machinery Company, and that he was later asked by one of his representatives if there was any connection between INDEPENDENT NAIL and the Stronghold Company of Chicago (R. 22). This situation confused Mr. WARD (R. 23) and the use by another company selling nuts, bolts and screws under the name STRONGHOLD "would simply mean confusion" (R. 23).

Mr. Goss, the salesman, was traveling in Texas on a business trip and he saw in a concern he was visting a box of Respondent's nails labeled STRONGHOLD, and a box of nuts and bolts distributed by the Petitioner under the name STRONGHOLD SCREW PRODUCTS (R. 34). When he returned to the East he wrote a letter to Respondent in which he stated:

> "During my recent travels I came across the name of Stronghold Mfg. Co., Chicago, Ill.
>
> "Since you have not advised me that you have started branches in various parts of the country, and knowing that you make a nail under the brand name of Stronghold, I can't help but ask the question—is there any connection between yourselves and the above-mentioned company." (Plaintiff's Ex. 7)

Mr. Goss further testified "It is my opinion that the INDEPENDENT NAIL COMPANY would suffer by having a kindred

product appear in the field under the trade-name 'STRONGHOLD' because it is also my opinion that the merchandise that the INDEPENDENT NAIL & PACKING COMPANY makes is associated with the word 'STRONGHOLD' as being built up over the years that they have made and distributed that merchandise." (R. 35)

Mr. Goss also identified kindred products as being "screws, bolts and nuts—products, in other words, that are sold to the hardware field that are allied to building supply materials" (R. 36).

Mr. GRIMSHAW, who was familiar with INDEPENDENT NAIL and its STRONGHOLD trade-mark since 1938 (R. 75) encountered one of Petitioner's catalogs and wrote a letter under date of December 17, 1947, to Respondent as follows:

> "We have recently received literature from a Stronghold Mfg. Company of Chicago soliciting business in the fastening line.
>
> "Knowing that you use the name 'Stronghold', we are wondering if this concern may not be connected with you, in which case it would seem foolish for us to place business in Chicago for material we can get neraby.
>
> "Please let us hear from you." (P. Ex. 10)

Mr. GRIMSHAW had been trying to procure for some of his friends a source of ordering odd lots of screws and when he found the name of STRONGHOLD he thought there was a connection with INDEPENDENT NAIL where he had some acquaintances (R. 77). Mr. GRIMSHAW stated the reason for writing the letter as follows: "As I previously stated, it was to ascertain if there was any connection between Stronghold of Chicago and the Stronghold, or Independent Nail Company, so to find out if there was a connection, then I would have a better chance of acquir-

ing some of these items which I had been unsuccessful in getting from Chicago. I was definitely confused about the matter." (R. 77-8)

Mr. CHASKES, the screw machine products salesman, was familiar with the STRONGHOLD trade-mark of INDEPENDENT NAIL (R. 84). He was approached by a friend who was looking for a particular kind of drive screw, and CHASKES told him he knew of a manufacturer in the East who sold a drive screw under the name STRONGHOLD (R. 85-9). The friend said he had a catalog of the company, but the catalog produced was that of Petitioner (P. Ex. 11). It was later on that CHASKES discovered that there was a Stronghold Company in Chicago (R. 89). He had talked with Mr. STONE and had asked him if INDEPENDENT NAIL had a Chicago branch (R. 91).

MR. HENVICK, of the purchasing department of the Ruberoid Company, who was familiar with Respondent's STRONGHOLD trade-mark, when asked "What effect in your opinion does the use of the word 'Stronghold' by another metallic fastening company have on the purchasing public"? answered "Well, it certainly would be confusing." (R. 112)

Mr. MACDONALD testified that he had received one of Petitioner's circulars and had sent it to Respondent (R. 105). He was asked why he sent the circular to Respondent and he replied: "Well, I was confused because I thought possibly Independent had established a company in Chicago, or a branch in Chicago, and I wanted to clear that up" (R. 114).

Further evidence of confusion is contained in the letters (P. Exs. 127 and 128).

Plaintiff's Exhibit 127 is a letter dated April 7, 1948, from the Imperial Bolt & Screw Co., Inc., of New York to Respondent reading as follows:

"We are wondering whether or not there is any connection between your company and the Manufacturers' Screw Company of Chicago who call themselves 'Stronghold', in as much as we find it quite confusing in an effort to get our orders straightened out.

"We are familiar with your line and the fact that you call yourselves 'Stronghold' and, therefore, we would like to know if there is any connection between your company and the Chicago outfit."

Plaintiff's Exhibit 128 is a letter dated March 17, 1948, from Stillwater Associates, Inc. to Respondent stating:

"We have been asked several times recently if your company and the Stronghold Mfg. Co. of Chicago are connected in any way.

"Being familiar with your Stronghold nails, we have stated that there must be come connection. However, in order to be sure in case we are requested for this information again, we would appreciate receiving the straight facts of the matter."

Letters procured from the files of the Petitioner confirm this confusion. Plaintiff's Exhibit 152 is a letter dated May 23, 1951 from Partee Boat Manufacturing Co. of Lebanon, Tennessee, addressed to Petitioner asking for a quotation on brass nails called STRONGHOLD. It is obvious that the prospective purchaser was confused in sending this letter to Petitioner calling for Respondent's product.

Plaintiff's Exhibit 153 is a letter dated February 2, 1951 from Winchester Reel Co. Inc. addressed to Petitioner asking for quotations on STRONGHOLD nails. This letter states "one of our large reel consumers, Colorado Fuel & Iron Corporation, has referred you to us as manufacturers of special types of nails".

Plaintiff's Exhibit 154 is a letter dated March 10, 1951 from New York Metal Moulding Co. Inc. addressed to Stronghold Ohio Corporation, stating:

> "Mr. Fred Schuler of General Extrusions Inc. has given us your name as a possible source of wood screws and nails".

In replying to this letter, the Stronghold Ohio Corporation stated:

> "The 'Stronghold' nail which is a type nail which has an annular rib about the shank, is manufactured by the Independent Nail and Packing Co. of Bridgewater, Massachusetts". (D. Ex. 27)

This reply is interesting in that the STRONGHOLD trademark was recognized as such by Petitioner and adequate words were available to describe Respondent's product.

Plaintiff's Exhibit 155 is a quotation request dated July 13, 1951 from R.C.A. Communications Inc. to Stronghold Eastern Corporation of New York requesting a quotation on "threaded 'Stronghold' copper nails".

Plaintiff's Exhibit 156 is a letter dated August 1, 1951 from J. G. Edelen Co. Inc., manufacturers and designers of cabinet hardware to Stronghold Eastern Corporation of New York. This letter states:

> "If you are manufacturers of 'Stronghold' nails we would like samples", etc.

Mr. STONE testified that at conventions and during business conversations he was frequently asked if there was any connection between INDEPENDENT NAIL and STRONGHOLD SCREW PRODUCTS, of Chicago, and whether or not Respondent had a Chicago branch. Most of these questions arose after Petitioner changed its name to Stronghold Screw Products (R. 258-9).

Additional evidence that the use by Petitioner of STRONGHOLD in its corporate title will lead to confusion is found in the communications addressed to Respondent as STRONGHOLD. Plaintiff's Exhibits 130 and 130A are a letter and envelope dated October 20, 1949 addressed to the Stronghold Nail Co., Bridgewater, Massachusetts. Plaintiff's Exhibit 131 is a communication addressed to Independent Nail and Packing Co. and included on both the envelope and purchase order is the statement "Stronghold nail". Plaintiff's Exhibit 132 is an envelope bearing a post mark dated March 22, 1949 addressed to Stronghold Nail Co. Plaintiff's Exhibit 134 is a shipping label from Coca-Cola Bottling Works Co. of Cleveland addressed to the Stronghold Nail and Packing Co. at Massachusetts. Plaintiff's Exhibits 135 and 135A are a letter and envelope addressed to Stronghold Upholstery Nails Independent Nail and Packing Co., Bridgewater, Massachusetts. Plaintiff's Exhibit 136 is an envelope from the F. A. Kamp Flooring Co. addressed to Stronghold Nail Co. Plaintiff's Exhibit 139 is a purchase order of International Harvester Company addressed to Stronghold Independent Nail and Packing Co.

These communications to Respondent effectively demonstrate the extent to which Plaintiff's STRONGHOLD trademark has become known, and in these instances it is apparent that the name STRONGHOLD has more significance to prospective purchasers than the name Independent Nail and Packing Co.

Additional evidence of confusion in the trade appears in the testimony of Mr. SHEPRO. His first contact with the name STRONGHOLD was with Petitioner. He had purchased some supplies from Petitioner and discovered later that these products were misbranded, corroded, and rusty and had many complaints from his customers after resale

(R. 315-7). Mr. SHEPRO dealt principally with the woodworking industry, and when he later received inquiries from customers for STRONGHOLD nails he told them that he did not handle this line (R. 318). He was under the impression that STRONGHOLD products were manufactured only by the Chicago company and he didn't care to do further business with them (R. 320). Later he found out that INDEPENDENT NAIL was the manufacturer of STRONGHOLD nails and had no connection with Petitioner. After acquiring this information, he purchased products in quantity from Respondent (R. 319).